



Decision

Matter of: DAE Corporation, Ltd.

File: B-257185

Date: September 6, 1994

Alexander J. Brittin, Esq., McKenna & Cuneo, for the protester.

Dean M. Dilley, Esq., and Christy L. Gherlein, Esq., Patton, Boggs & Blow, L.L.P., for Abt Associates, Inc., an interested party.

Robin E. McMillan, Esq., Department of Housing and Urban Development, for the agency.

Susan K. McAuliffe, Esq., and Michael R. Golden, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest challenging agency's technical evaluation of protester's proposal for technical writing, analysis and assistance is denied where the evaluation was reasonable and in accordance with the solicitation's stated evaluation criteria for award.

2. Agency conducted meaningful discussions where it reasonably led the protester into area of its proposal that required amplification or clarification.

DECISION

DAE Corporation, Ltd. protests the agency's evaluation of its technical proposal and the failure to award the firm a contract under request for proposals (RFP) No. DU100C000018269, issued by the Department of Housing and Urban Development (HUD). DAE contends that the evaluation of its proposal was not consistent with the RFP's stated evaluation factors for award and that the agency's determination that the firm lacks specific relevant experience in public and Indian housing (PIH) programs was unreasonable. DAE also protests the agency's failure to conduct meaningful discussions with the firm.

We deny the protest.

The RFP, issued on August 17, 1993, provided for the award of multiple indefinite-quantity type contracts for technical writing, management analysis, research/evaluations and technical assistance, training, seminar/conference services for HUD's Office of Public and Indian Housing. The contracts involve studies and services relating to housing and rental assistance under numerous PIH programs, with specific work to be identified and completed through the issuance of multiple task/delivery orders. Additionally, a separate contract was contemplated under Task Order 0001 for a study and evaluation of the efficacy of maintenance policies and programs at PIH authorities.

The RFP provided for award(s) to be made on the basis of the proposal(s) determined to offer the best value to the government, with technical factors significantly more important than price. Section M of the RFP set forth the following evaluation factors for award:

1. Understanding of required services
(25 points)--[to include problem identification and proposed solutions];
2. Management and technical approach
(25 points)--[with more "evaluation points . . . given to specific related experience in recent management studies, technical writing, and research and evaluation, etc. in the field of PIH, PIH programs or similar programs";]
3. Demonstrated capabilities of offeror
(20 points)--[including "relevance of prior and current experience";]
4. Qualifications of key personnel (20 points)--[including "pertinent experience of proposed key personnel . . . (both general and project related)";] and
5. The ability to produce quality reports
(15 points)--["based on the demonstrated experience of the offeror."]

Twenty proposals were received by the extended closing date of October 4, 1993. Eight of the proposals received, including DAE's, were included in the competitive range. DAE's proposal received the lowest technical score of the eight. During discussions, the agency pointed out that DAE had not submitted a cost breakdown by task for Task

Order 0001 and asked the protester whether there had been any change in proposed personnel. HUD also provided the following discussion question to DAE:

"[Y]our recent housing experience seems to be focused principally on Federal Housing Administration/Fair Housing and Equal Opportunity/Homeless programs. Provide evidence of your capability to address public and [I]ndian housing programs and issues."

Four offerors' proposal scores were adjusted after the evaluation of BAFOs; three firms' proposal scores were increased due to their elaboration of extensive specific PIH experience and one firm's score was lowered due to an error in scoring the initial proposal. Four proposals' scores, including DAE's, remained unchanged after BAFOs. DAE offered a price substantially higher than most of the other offered prices. The source evaluation board recommended the five highest technically rated firms for award, and the source selection official concurred in that recommendation. The offerors that submitted the three lowest scored proposals, including DAE, whose proposal received the lowest technical BAFO score of the eight proposals, were advised that they would not be receiving an award. By letter of April 20, HUD advised DAE of the noted strengths (well-structured management plan; overall, good technical approach and understanding of task areas; good subcontract management structure; and submission of a professional, good quality proposal) and weaknesses of its proposal. This letter advised DAE that:

"[Y]our proposal weaknesses are concentrated in the area of inadequate housing experience/expertise, particularly public and Indian housing. This was also evident in the documentation for the subcontractor Recent housing experience of principals focused primarily on FHA/FHEO/Homeless. In addition, your proposed personnel lack housing experience. Lastly, the technical approach for Task Order 0001 conveys that the contractor is not familiar or acquainted with the HUD handbooks and publications stated in the RFP [since the firm's proposal stated that DAE intended to engage in a study of HUD handbooks and publications governing policies, etc.] An unacceptable learning curve is envisioned."

DAE filed its protest of the agency's evaluation of its proposal with our Office on April 29; the firm provided additional specificity of its protest grounds in its comments filed on July 1 in response to the agency's report on the protest. DAE contends that the agency failed to

evaluate its proposal in accordance with the evaluation factors for award stated in the RFP. Specifically, the protester contends that even though the agency was permitted to consider the firm's experience in the evaluation of its proposal, the agency placed an inordinate emphasis on a perceived lack of PIH experience not required by the stated evaluation criteria (DAE states that only the management and technical approach factor specifically stated the importance of specific PIH experience.) The protester also states that the agency improperly ignored and failed to give its proposal higher scores for the firm's PIH experience listed in its BAFO.

In its report submitted in response to the protest, HUD states that although DAE's proposal showed housing experience under other HUD program areas, the firm and its proposed personnel lacked recent PIH-specific experience which, the agency contends, was an appropriate overall consideration in its evaluation of proposals under the terms of the RFP. Accordingly, the proposal was not scored as high as some of the other proposals reflecting specific relevant PIH experience. The agency states that although the protester was told of the agency's concern in this regard during discussions, the firm's BAFO did not provide the type of additional relevant PIH experience that warranted an increase to the firm's proposal score. The agency concluded that the firm's PIH experience was not as strong as that demonstrated by the awardees in their offers.

In reviewing an agency's evaluation of proposals, our Office will only question the agency's evaluation where it lacks a reasonable basis or is inconsistent with the stated evaluation criteria for award. See General Servs. Eng'g, Inc., B-245458, Jan. 9, 1992, 92-1 CPD ¶ 44. A protester's mere disagreement with the agency over its technical evaluation does not establish that the evaluation was unreasonable. Horizon Trading Co., Inc.; Draxel Heritage Furnishings, Inc., B-231177; B-231177.2, July 26, 1988, 88-2 CPD ¶ 86.

Our review of the evaluation record provides no basis to question the reasonableness of the agency's evaluation of DAE's offer. Although the protester contends that the agency improperly placed an overwhelming emphasis on a perceived lack of PIH experience that was not contemplated by the RFP's evaluation criteria, the terms of the RFP clearly provided for the evaluation of pertinent, project-related (i.e., both public and Indian housing program) experience. Although the RFP specified only under the management and technical approach factor that more evaluation points would be given for specific related PIH experience, the demonstrated capabilities of offeror and qualifications of key personnel factors also expressly

advised offerors that they encompassed relevant recent experience. Since the technical assistance to be provided under the contract here is specifically related to PIH programs, it was reasonable for the agency to consider the extent of specific PIH experience under each of these evaluation factors. See AWD Technologies, Inc., B-250081.2; B-250081.3, Feb. 1, 1993, 93-1 CPD ¶ 83.

As for the scoring of DAE's BAFO, the record shows that in response to the agency's concern regarding a perceived lack of PIH experience and its request for additional information supporting the protester's capabilities in that area, DAE identified certain experience in its BAFO which it believed demonstrated its capabilities to perform the PIH contract requirement. The agency found, however, that the type of experience listed in DAE's BAFO did not warrant a change in the firm's technical proposal score. Our review of the record provides no basis to question the reasonableness of that determination. The type of experience presented by the protester--e.g., the design and preparation of limited issue area brochures based on interviews and surveys of HUD personnel--even though some of it was related to PIH projects, did not show the relevant in-depth studies and analyses, monitoring and evaluation reviews that demonstrate the protester's capability to perform the RFP's PIH requirements. In short, the record shows that although DAE's proposal demonstrated a favorable general technical and management approach and ability to generally perform the type of services required, the firm did not demonstrate sufficiently relevant experience in its BAFO to receive an award here. DAE's disagreement with the evaluation of its proposal is insufficient to show that the agency's actions were improper.

DAE next contends that the agency failed to conduct meaningful discussions with the firm. Specifically, DAE states that the agency's April 20 letter notifying the firm that it was unsuccessful in the competition identified deficiencies not raised during discussions--such as its proposed personnel lacking housing experience and the firm's lack of familiarity with HUD handbooks. DAE also states that the agency failed to conduct equal discussions with all competitive range offerors since DAE was asked about its "capabilities" to meet the RFP's requirements in light of a perceived lack of recent relevant PIH experience while other offerors were more broadly asked about their Native American housing experience; DAE contends that its question was more specific, and thus unfair, and that not all of the firm's weaknesses were discussed. The protester, in its comments to the agency report, also states that in asking for information regarding capabilities, rather than specific experience, the agency did not adequately inform the protester of its actual concern about a lack of PIH

experience and misled the firm to belief after oral discussions that its experience was not deficient in any manner.

For discussions to be meaningful, an agency must advise all offerors of the deficiencies, weaknesses or excesses in its proposal that require amplification or correction to have a reasonable chance at receiving award. Jaycor, B-240029.2 et al., Oct. 31, 1990, 90-2 CPD ¶ 354. Agencies, however, are not required to conduct all-encompassing discussions or discuss every element of a proposal receiving less than the maximum points available. AWD Technologies, Inc., supra; Specialized Technical Servs., Inc., B-247489.2, June 11, 1992, 92-1 CPD ¶ 510.

We believe the agency fulfilled its obligation to conduct meaningful discussions with DAE. During discussions, the firm was clearly put on notice of the agency's concern with the lack of recent PIH experience and the firm's capability to meet the RFP's PIH-specific requirements. While the protester argues that it did not equate the request for information concerning its capabilities as a request for information on its experience, the RFP evaluation criteria used the terms experience and capabilities interchangeably and the protester's BAFO in fact clearly states that in response to discussions, "[t]he following paragraphs describe DAE Team's experience in the public and Indian housing arena." DAE obviously was aware of the agency's concern about its lack of specific PIH experience.

Although the protester contends that discussions were not equal among offerors, the record shows that the other offerors' questions were specific to their weaknesses (e.g., Native American experience), just as DAE's discussion question related to both public and Indian housing experience which was the agency's specific concern about its proposal. As to the protester's contention that the agency did not tell the firm during discussions of a concern with its proposed personnel's lack of housing experience or familiarity with agency handbooks, weaknesses stated in the April 20 notification, the evaluation record shows that these concerns were raised by only one evaluator and had no significant impact upon the scoring of its proposal (in fact, elsewhere in the evaluation record, DAE's personnel's general housing experience was noted as a strength). Even if these minor weaknesses were discussed, there is no indication, and the protester provides no support to the contrary, that this would have had any material impact upon the award determination; even if this one evaluator's noted weaknesses were discussed and cured, the record shows that any additional technical points, if warranted, would not account for the number of additional technical evaluation points necessary to displace any of the awardees, or the

contractors in line before the protester, for award. See
Sundstrand Data Control, Inc., B-237020.2, Jan. 23, 1990,
90-1 CPD ¶ 95.

The protest is therefore denied.

/s/ Ronald Berger
for Robert P. Murphy
Acting General Counsel